

State of Alaska FY2008 Governor's Operating Budget

Department of Transportation/Public Facilities Statewide Aviation Component Budget Summary

Component: Statewide Aviation

Contribution to Department's Mission

Provide airport infrastructure for the movement of people and goods.

Core Services

Airport Improvement Program (AIP) Five Year Funding Plan development, coordination, guidance and monitoring.

- Aviation Leasing.
- Airport planning, design, construction and operation coordination.
- Federal Aviation Administration (FAA) liaison regarding aviation regulatory and policy issues affecting Alaska.
- Primary contact with airlines, aviation user groups, and aviation organizations.

Major Activities to Advance Strategies

- | | |
|---|--|
| • Analyze below-standards inventory. | • Analyze APEB scoring for SRE. |
| • Analyze APEB scoring for below-standard criteria. | • Inventory lease lots.. |
| • Meet regularly with FAA Airports Division. | • Leasing officers e-mail aviation businesses about available aviation properties. |
| • Analyze snow removal equipment. | • Hire part time staff to deliver lights. |

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$2,289,000

Personnel:

Full time	19
Part time	0
Total	19

Key Component Challenges

Challenges regarding increasing private investment and airport revenue generation:

- Statewide Aviation (SWA) staff has written new insurance guidelines for airport leases as called for in Alaska Statute 02.15.090(g). The new guidelines are addressed in the draft regulations.
- SWA will continue to update the airport regulations as necessary. The draft regulations are expected to be ready for public review by the end of December 2006, with implementation anticipated by April 1, 2007.
- SWA and the FAA have negotiated a statewide lease for all navigation facilities. There will be one lease document per airport. The state and the FAA are continuing to work on the issue of non-aviation use contracts on federally funded airports.
- SWA will continue marketing airport land. SWA is working to digitize all land occupancy plats for inclusion on the state web page that will show land available for lease at state airports. Other avenues will be explored to provide information to the general public such as speaking engagements at chambers of commerce and other local organizations.
- SWA is updating the state's on line E-Leasing program to make applying for a state airport lease easier and quicker.

Challenges regarding improving mobility, saving lives and reducing suffering:

- This office serves as the primary contact point between the FAA and the state of Alaska. Our challenge is to maximize the amount of federal Airport Improvement Program (AIP) funding available for the state and ensure this funding is applied to the highest priority airport capital improvement needs. We manage the evaluation of capital

improvement needs at 258 state owned and maintained rural airports and develop a multi-year spending plan to fund the highest priority needs. We work closely with the FAA to obtain the federal funding for these high priority needs, which is 95% (ANC qualifies for 93.75%) of the eligible project cost. This involves working through numerous policy and programming issues with FAA to ensure our projects are eligible for AIP funding. We execute and accept the grants to allow the state to obtain the AIP funding for these projects. In Federal FY06, the state obtained \$197.4 million in AIP funding to improve state-owned airports.

- Global Positioning System (GPS) navigation continues to impact the way in which airports are being designed, built, and operated. The more we can facilitate these improvements, the more likely we are to improve mobility and save lives. Specifically, GPS navigation will soon make non-precision and precision approaches possible to most of the 260 state-operated airports, yet our facilities may not be prepared for that dramatically improved navigation ability. For example the state's current method of measuring airport dimensions by hand may need to be changed to surveying with sophisticated techniques. Also, the current state standards for runway and primary surface area (the area immediately above the land surrounding the airport) may not be appropriate to accommodate the improved navigation opportunities. Current staffing levels require that acquisition of expert assistance with this issue be acquired through capital projects.

Significant Changes in Results to be Delivered in FY2008

Increase the number of on-line rural airport land-use applications being received and processed through a new mainframe database.

Airport Improvement Program (AIP) funding objectives of special emphasis:

- Execute federal AIP funding grants to improve the following airports which currently experience seasonal closures: Nightmute, Kongiganak, and Akiachak.
- Execute AIP funding grants to improve the following airports to 24 hour medical evacuation capability with improved runways and permanent runway lighting: Goodnews Bay, Nightmute, Ouzinkie, Platinum, Takotna, Kongiganak, and Akiachak.

Major Component Accomplishments in 2006

Accomplishments towards improving mobility:

- Worked with the FAA to execute \$197.4 million in federal Airport Improvement Program (AIP) funding for Department of Transportation & Public Facilities (DOT&PF) airports.
- Executed AIP grants to reduce seasonal closures at King Cove, Selawik, New Stuyahok and Hooper Bay.
- Issued \$239 million in new Alaska International Airport System bonds. Funds are being used to remodel the Fairbanks and Anchorage International Airport terminals, and as match for federal funds for other AIAS infrastructure.
- Secured signatory air carrier approval for FY06-FY09 CIP and extension of the Alaska International Airport system (AIAS) -Airline operating agreement through June 30, 2007.

Accomplishments towards increasing private investment:

- Provided access to rural airport land-use leasing applications on the DOT&PF web site. Received approval from FAA for grant funding to make leasing forms web interactive.
- Drafted amendments to rural and international airport regulations to clarify and improve provisions.
- Continued procedures to ensure all air carriers are in compliance with Chapter 40, Title 2 of the Alaska Statutes. Provided information to the air carrier industry to facilitate a clear, concise understanding of program compliance requirements.

Accomplishments towards saving lives and reducing suffering:

- Executed AIP grants to improve the following airports to 24 hour medical evacuation capability with improved runways and permanent runway lighting: King Cove, Kokhanok, Perryville and Stevens Village.
- Deployed an emergency lighting system at Red Devil Airport.
- Implemented an assigned aircraft parking (tie down) space and transient aircraft parking programs at Willow Airport per 17 AAC 45.500, to eliminate traffic conflicts and overcrowding, and to provide individuals with the opportunity to have designated spaces on the airport.
- Advised FAA on the Capstone installation which continues to improve aviation safety in Alaska. Phase II is underway with SWA staff coordinating the impact to airports. Phase III planning continues.

- SWA is working on a series of policies and procedures (P&P) to reduce our tort exposure. Currently each region has considerable discretion in areas of design standards, maintenance standards, and infrastructure standards. The new P&P will reduce some of this discretion in favor of more uniform department standards.

Statutory and Regulatory Authority

AS 02 Aeronautics
AS 19 Highways
AS 44 State Government
ACC 17 DOT&PF
Federal Highway Program Manual
Executive Order 39
Title 14 CFR
Title 23 CFR
Title 25 CFR, BIA

Contact Information

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Statewide Aviation Component Financial Summary

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,437.3	1,656.6	1,883.7
72000 Travel	71.0	41.3	41.3
73000 Services	172.6	327.2	327.2
74000 Commodities	42.5	36.8	36.8
75000 Capital Outlay	0.9	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,724.3	2,061.9	2,289.0
Funding Sources:			
1004 General Fund Receipts	0.0	0.0	182.5
1007 Inter-Agency Receipts	155.1	145.2	159.9
1027 International Airport Revenue Fund	19.3	19.3	20.9
1061 Capital Improvement Project Receipts	264.5	311.7	340.0
1156 Receipt Supported Services	1,285.4	1,585.7	1,585.7
Funding Totals	1,724.3	2,061.9	2,289.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	155.1	145.2	159.9
Receipt Supported Services	51073	1,285.4	1,585.7	1,585.7
Capital Improvement Project Receipts	51200	264.5	311.7	340.0
Restricted Total		1,705.0	2,042.6	2,085.6
Total Estimated Revenues		1,705.0	2,042.6	2,085.6

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	0.0	0.0	2,061.9	2,061.9
Adjustments which will continue current level of service:				
-Fund Source Adjustment for Retirement Systems Increases	182.5	0.0	-182.5	0.0
Proposed budget increases:				
-FY 08 Retirement Systems Rate Increases	0.0	0.0	227.1	227.1
FY2008 Governor	182.5	0.0	2,106.5	2,289.0

**Statewide Aviation
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	19	19	Annual Salaries	1,042,574
Part-time	0	0	Premium Pay	24,990
Nonpermanent	0	0	Annual Benefits	835,107
			<i>Less 1.00% Vacancy Factor</i>	(18,971)
			Lump Sum Premium Pay	0
Totals	19	19	Total Personal Services	1,883,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	0	1	0	0	1
Airport Leasing Program Mgr	1	0	0	0	1
Airport Leasing Specialist I	0	1	0	0	1
Airport Leasing Specialist II	4	0	0	0	4
Airport Leasing Specialist III	1	4	0	0	5
Airport Leasing Specialist IV	1	1	1	0	3
Trans Planner I	2	0	0	0	2
Totals	11	7	1	0	19